



Glasgow City Region - City Deal

Cabinet

Report by Director of Regional Economic Growth

Contact: Kevin Rush

Item 7

8th October 2019

Gateway Review 1: Update

Purpose of Report:

To update the Cabinet on the development of the documents that will be submitted to the UK Government and Scottish Government for Gateway Review 1 and to seek approval of the sign-off process of these reports.

Recommendations:

It is proposed that the Cabinet:

1. note the content of this report; and
2. agree the proposed process set out for the final development and sign-off of the reports for submission at Gateway Review.

1. Purpose

- 1.1 To update the Cabinet on the development of the documents that will be submitted to the UK Government and Scottish Government for Gateway Review 1 and to seek approval of the sign-off process of these reports.

2. Background

- 2.1 The Glasgow City Region City Deal Agreement was in August 2014 by the 8 Member Authorities, the UK Government and the Scottish Government. The Agreement stated that the City Deal Infrastructure Fund investment would be unlocked in five-year funding blocks, on an agreed funding profile, to support the delivery of the Infrastructure Programme.
- 2.2 The formal process for agreeing the release of future grant will be a series of 5-yearly Gateway Reviews, commencing in 2019. Gateway Review 1 will be conducted by the National Evaluation Panel and reported to Government. In total there will be three Gateway Reviews (2024 & 2029) that will unlock the full £1 billion of funding from the UK and Scottish Governments.
- 2.3 At a meeting with the Scottish Government & UK Government on 22nd August 2019 and subsequently at the UK City and Growth Deals Steering Group meeting on 25th September 2019, representatives from the GCR Programme Management Office (PMO) indicated that the approach to be taken for future Gateway Reviews requires to be discussed and agreed. Discussion requires to take place with the UK and Scottish Governments in relation to clarify the national evaluation framework that will be in place and how this will be supported by locally delivered evaluation activities.

3. Gateway Review Process

- 3.1 The City Deal Programme Management Office (PMO) has been co-ordinating the development of the suite of reports that will be submitted by Glasgow City Region to the UK Government and Scottish Government for consideration at Gateway Review 1.
- 3.2 The following sections of this report provide an update on the progress made in developing each report, followed by a section seeking approval for the proposed approval process.

4. National Evaluation Panel – Final Gateway Review Report

- 4.1 The National Evaluation Panel (NEP) is a consortium led by the consultants SQW which has been tasked to develop a National Evaluation Framework for 11 UK City Deals and Growth Deals. SQW have carried out the evaluation tasks within the Glasgow City Region Evaluation Plan (approved by Cabinet on 10th April 2018).
- 4.2 The draft versions of the NEP's Final Gateway Review Report and supporting documents was provided to the PMO on 30th August and shared with the Chief

Executives' Group, Finance Strategy Group, Commission on Economic Growth and Lead Officers' Group for review and comment. The feedback is currently being collated and the documents being updated by SQW. Versions of the finalised reports will be shared with the Cabinet prior to final submission.

- 4.3 SQW will attend the Cabinet meeting on the 8th October to present the findings of their reports.

5. Complementary Report

- 5.1 The UK Government has requested that Glasgow City Region provides a Complementary Report. Draft guidance has been provided to the PMO indicating that this should "provide a high-level strategic narrative of their Investment Fund spend over the last five years including a forward look towards future Investment Fund spend."
- 5.2 The governments have provided a draft list of additional information they require over and above the scope of the National Evaluation Report. The PMO has developed a draft Complementary Report to address these additional requirements.
- 5.3 This draft is being finalised and will be shared with the Cabinet prior to submission for the Gateway Review.

6. Gateway Readiness Improvement Plan

- 6.1 The *Assurance, Governance & Programme Management Framework 2019* states that the PMO will undertake an internal review of the City Deal Programme in the year preceding the 5-yearly Gateway Reviews.
- 6.2 The PMO has undertaken a self-evaluation, following the best practice guidance of the Office of Government Commerce (OGC) Gateway Review Process.
- 6.3 As per OGC guidance, the Gateway Review Improvement Plan was developed using a peer review approach, involving independent colleagues from outwith the PMO, including staff from other UK City/Growth Deals and from the City Deal Audit Support Group.
- 6.4 The improvement actions identified through this process have been collated by the PMO into a Gateway Review Improvement Plan and this will be part of the documents submitted for Gateway Review 1 and circulated to the Cabinet as per Section 10 of this report below.

7. Commission on Economic Growth: Gateway Review Report

- 7.1 The Commission on Economic Growth, chaired by Professor Sir Anton Muscatelli, will submit a short report for the Gateway Review. This report is currently being drafted by the Commission. The final version of the report will be submitted by 11th October 2019 and will be shared with the Cabinet and Member Authorities as part of the suite of Gateway Review documents.

8. Glasgow City Region Economic Leadership Board: Gateway Review Report

- 8.1 The Economic Leadership Board (ELB), chaired by Lord Haughey, will submit a short report for the Gateway Review. This report is currently being drafted and will subsequently be shared with the Cabinet and Member Authorities.

9. Programme Business Case 2019

- 9.1 The updated City Deal Programme Business Case 2019 will also be submitted for the Gateway Review and it is included as a separate agenda item for the meeting of the Cabinet on 8th October 2019.

10. Approval Process

- 10.1 The deadline for submitting the suite of Gateway Review documents to the UK Government and Scottish Government is 4th November 2019.

- 10.2 Taking into account finalising the Gateway Review Reports by the NEP to reflect the feedback from the MAs and Commission, part of the sign off process will require to be undertaken by email outwith the currently scheduled CEG and Cabinet meetings.

- 10.3 The proposed sign off process is suggested as follows:

- **Prior to Cabinet on 8th October 2019:** the PMO will circulate the updated versions of all documents to the CEG and LOG by email.
- **Cabinet 8th October 2019:** SQW will provide a presentation on their reports and the PMO will provide an overview of the documents that will be submitted at the Gateway Review. Cabinet will be invited to agree that the final sign-off of the documents is delegated to the Chair of the Cabinet (on behalf of the Cabinet), pending the final approval of the reports by the CEG on 30th October 2019.
- **24th October 2019:** the full set of documents will be shared with the Cabinet, CEG & Lead Officers' Group by email. The full set of reports will not be published on the City Deal website until after the 'Challenge Session' in January 2020.
- **CEG 30th October 2019:** CEG will be asked to approve the final suite of reports. After the CEG meeting the Chair of the Cabinet will be asked to sign-off the documents prior to their submission on 4th November 2019. The final reports will be shared with the Cabinet by email after the 30th October.
- **4th November 2019:** submission of Gateway Review documents to the UK Government and Scottish Government.

- **January 2020:** a challenge session will be scheduled to be attended by senior officers from GCR and civil servants from the UK Government and Scottish Government to discuss the content of the reports.
- **Late February 2020:** a formal funding decision on the Gateway Review is expected.

11. Recommendations

11.1 It is proposed that the Cabinet:

1. note the content of this report; and
2. agree the proposed process set out for the final development and sign-off of the reports for submission at Gateway Review.